



5th Malaysia Statistics Conference

29 November 2017

Sasana Kijang, Bank Negara Malaysia

2017

From Data to Knowledge : The Journey

Statistics for economic development and growth

The qualitative balance

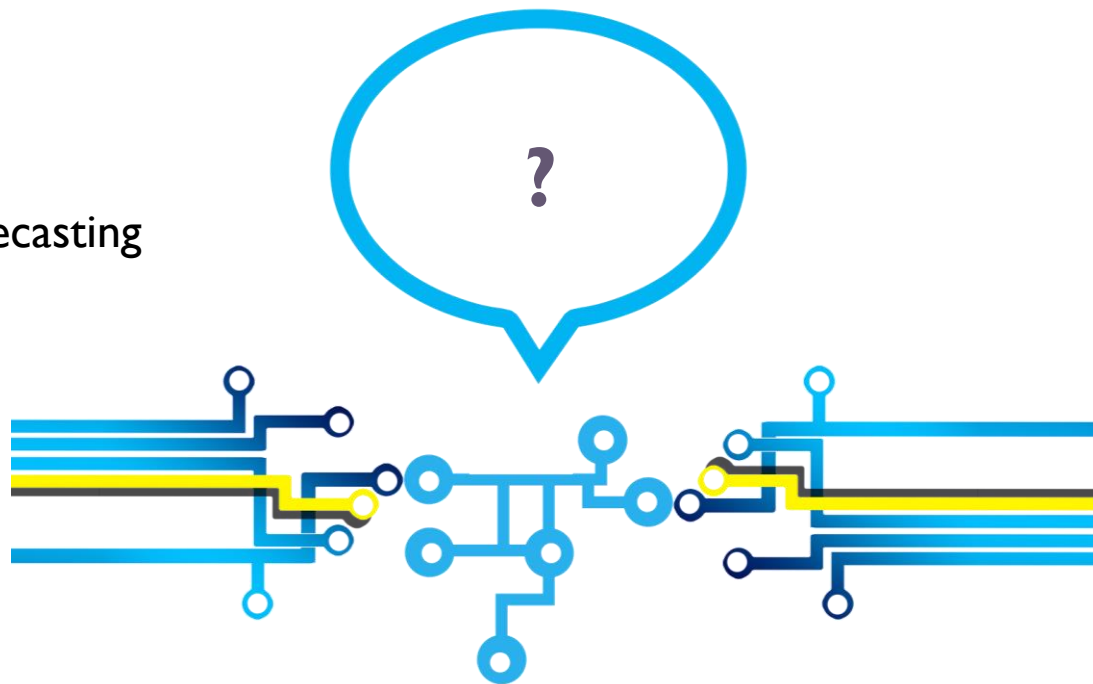
Kristina Fong – Economist, RAM Ratings



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How I use data

- Macro surveillance and forecasting
- Dissecting trends
- Identifying issues



Economic agents as data points

- Data can uncover trends
- Qualitative aspects incorporate human behaviour
- Trends are a product of actions and decisions by economic agents

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The role of investor sentiments

- Herd mentality
- ‘Pricing-in’ expectations
- Investor perceptions

***More important than fundamentals
and yield hunts?***

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Technology a big game-changer

- Speed of awareness
- Info asymmetry - a thing of the past
- New technologies create substitution effects

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Data is a challenge for new industries

- “Is a hotel or airbnb your preferred choice of holiday accommodation?”
- Limited insight from scanty, empirical data
- Traditional industries – challenged by dynamic preferences

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RAM Business Confidence Index

- 3,000+ firms nationwide (SMEs and Corporates)
- Business prospects for the next 6 months
- Effective leading indicator using a combination of quant and qual factors



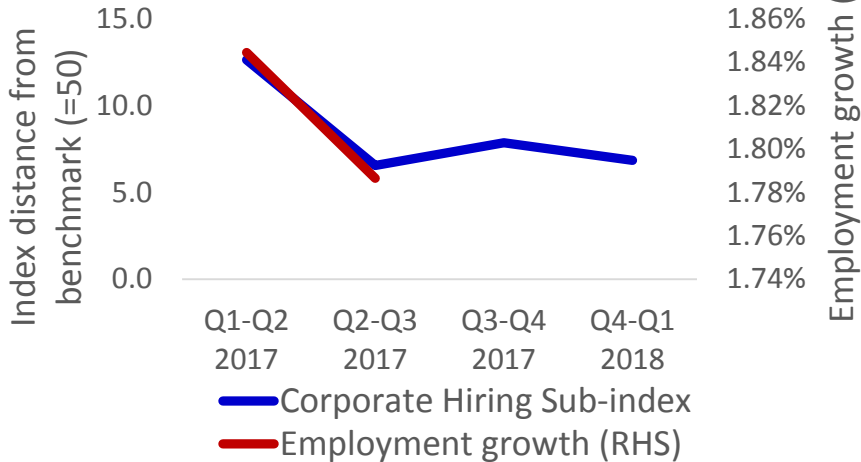
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RAM Business Confidence Index

Outlook for employment conditions



Outlook for private investment growth



Source: Department of Statistics Malaysia and RAM Business Confidence Index



**The qualitative
balance provides
the missing piece**

Thank You

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